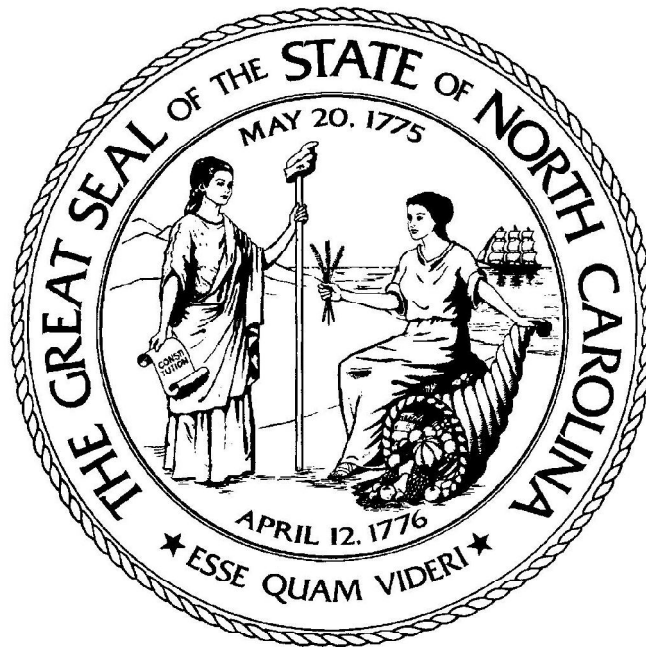


**JOINT LEGISLATIVE OVERSIGHT COMMITTEE
ON
MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,
AND SUBSTANCE ABUSE SERVICES**



**REPORT TO THE 2011 REGULAR SESSION
OF THE
2011 GENERAL ASSEMBLY**

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***JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON MENTAL HEALTH,
DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES
State Legislative Building
Raleigh, North Carolina 27601***

Senator Martin Nesbitt, Co-Chair

Representative Verla Insko, Co-Chair

January 12, 2011

TO THE MEMBERS OF THE 2011 GENERAL ASSEMBLY:

The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services submits this report for your consideration.

Respectfully,

Sen. Martin Nesbitt, Co-Chair

Rep. Verla Insko, Co-Chair

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PREFACE

The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services (LOC) is established in Article 27 of Chapter 120 of the General Statutes. The LOC is charged with continually examining system-wide issues that affect the development, financing, administration, and delivery of mental health, developmental disabilities, and substance abuse services, including issues related to governance, accountability and service quality.

The LOC consists of sixteen members, eight appointed by the President Pro Tempore of the Senate and eight appointed by the Speaker of the House of Representatives. The members appointed by the President Pro Tempore must include all of the following: at least two members of the Senate Committee on Appropriations, the Chair of the Senate Appropriations Committee on Human Resources, and at least two members of the minority party. The members appointed by the Speaker of the House must include all of the following: at least two members of the House Committee on Appropriations, the Co-Chairs of the House of Representatives Appropriations Subcommittee on Health and Human Services, and at least two members of the minority party. Advisory members may also serve on the LOC. The Co-Chairs for 2010-2011 are Senator Martin Nesbitt and Representative Verla Insko.

COMMITTEE PROCEEDINGS

The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services (LOC) met five times during the 2010-2011 interim. The LOC heard from the individuals listed below during the specified meeting dates. Detailed minutes and information from each LOC meeting are available in the Legislative Library.

September 8, 2010

- Lanier Cansler, Secretary, Department of Health and Human Services, presented the Department of Health and Human Services provided a brief update on current issues.
- Lisa Hollowell, Fiscal Research Division and Joyce Jones, Bill Drafting Division, provided an overview of 2010 Legislative actions related to mental health.
- Dr. Craigan Gray, MD, Director, Division of Medical Assistance, Department of Health and Human Services, provided an update on expenditures and utilization tracking.
- Michael Watson, Deputy Secretary, Department of Health and Human Services, discussed community supports and gave an update on CABHAs.
- Mark O'Donnell, Program Manager, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services gave a report on the status of the changes to Level III and IV facilities for children.
- Roy Wilson, Director, East Carolina Behavioral Health; Lisa Bonnett, Executive Director of the Recovery Education Unit, East Carolina Behavioral Health; and Cindy Ehlers, Assistant Area Director for Clinical Services provided information on the Second Mile Project.

October 13, 2010

- Dr. Craigan Gray, MD, Director, Division of Medical Assistance, Department of Health and Human Services, provided an update on expenditures and utilization tracking.

- Rose Burnette, DD Project Manager, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, Department of Health and Human Services provided an overview of the SIS assessment tool pilot.
- Beth Melcher, Ph.D., Assistant Secretary for Mental Health, Developmental Disabilities, and Substance Abuse Services Development, Department of Health and Human Services discussed independent assessments for mental health services.
- Luckey Welsh, Director of State Operated Services, Department of Health and Human Services provided an update on Dorothea Dix Hospital.
- Pam Silberman, JD, DrPH, President and CEO, Institute of Medicine Publisher, NC Medical Journal presented an overview of national health reform and the impact of reform on mental health, developmental disabilities, and substance abuse services.
- Sabrina Russell-Holloman, Guilford Center Behavioral Health and Disability Services; Mary Lee, Transitional Living, Youth Villages; and Annie Smith, State Director, Youth Villages discussed the benefits of Youth Villages Transitional Living Program.
- Steve Jordan, Director, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, Department of Health and Human Services presented an analysis of the effectiveness of single stream funding.

November 9, 2010

- Lanier Cansler, Secretary, Department of Health and Human Services discussed the closure of Dorothea Dix Hospital.
- Kelly Crosbie, LCSW, Behavioral Health Manager, Division of Medical Assistance, Department of Health and Human Services provided an update on expenditures and utilization tracking.
- Mr. Mike Kupecki, Assistant Area Director, East Carolina Behavioral Health provided a brief history of the Treatment Accountability for Safer Communities (TASC).
- Michael Gray the Vice President of Region 3 TASC, Partnership for Drug Free NC, and Vice President of National TASC described the organization's

work with individuals with behavioral health issues involved in the criminal justice system.

- Karen V. Chapple, Executive Vice President of Coastal Horizons Center and Immediate Past President of National TASC provided an overview of the demographics of the clients serviced, their risks and needs.
- Mr. Mike Watson, Deputy Secretary for Health Services, Department of Health and Human Services gave an update on the success of three-way contracts between local hospitals, LMEs, and the Department of Health and Human Services.
- Steve Jordan, Director, Division of Mental Health, Developmental Disabilities, & Substance Abuse Services, Department of Health and Human Services presented an ICF-MR cost analysis and comparison with CAP/MRDD services.
- Rose Burnette, DD Project Manager, Division of Mental Health, Developmental Disabilities, & Substance Abuse Services, Department of Health and Human Services gave an overview of the DD Waiting List and an update on CAP-MR/DD Tiered Waivers.

December 8, 2010

- Lanier Cansler, Secretary, Department of Health and Human Services discussed ways the Department could achieve budgetary savings.
- Peter E. Rives, Care Coordination Manager, CenterPointe Human Services LME addressed post-hospitalization continuity of care.
- Luckey Welsh, Director of State Operated Facilities, Department of Health and Human Services and Dr. Jeff Holden, Special Services Director, Murdoch Center provided a presentation on State Operated Developmental Centers.
- Shawn Parker, Legislative Analyst, Research Division, provided members with an overview of previous presentations in preparation of the report to the General Assembly in January.
- Beth Melcher, Ph.D, Assistant Secretary for Mental Health, Developmental Disabilities, and Substance Abuse Service Development, Department of Health and Human Services addressed Mobile Crisis services.

- Steve Jordan, Director, Division of Mental Health, Developmental Disabilities, & Substance Abuse Services, Department of Health and Human Services presented a follow up presentation on the ICF-MR cost analysis and comparison with CAP/MRDD services.
- Kelly Crosbie, LCSW, Behavioral Health Manager, Division of Medical Assistance, Department of Health and Human Services discussed changes to Medicaid Utilization Review and presented an update on the Medicaid Waiver for Traumatic Brain Injury.

January 12, 2011

- Lanier Cansler, Secretary, Department of Health and Human Services, presented the Department of Health and Human Services provided a brief update on current issues.
- Beth Melcher, Ph.D., Assistant Secretary for Mental Health, Developmental Disabilities and Substance Abuse Services provided an update on CABHAs.
- Ken Jones, Area Director, Eastpointe and Ellen S. Holliman, Area Director, Durham Center discussed LME Medicaid Utilization Management.
- Deborah Carroll, Ph.D., Head of Early Intervention Branch, Women & Children's Health Section, Division of Public Health and Rose Burnette, DD Project Manager, Division of Mental Health, Developmental Disabilities & Substance Abuse Services presented an overview of residential services for children ages 0-6 with developmental disabilities.
- LOC staff presented a review of the LOC's draft report; the LOC adopted the report as amended.

COMMITTEE RECOMMENDATIONS

The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services makes the following recommendations to the 2011 Session of the 2011 General Assembly:

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APPENDIX

Copies of the proposed legislation begin on the following page.

